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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

SLS-29

MAY 2

May 19, 1939.

T H E S H E E P A N D L A M B S I T U A T I O N

Summary

Supplies of new crop lambs for slaughter probably will be smaller than a year earlier through June at least, according to the Bureau of Agricultural Economics. Marketings of grass-fat yearlings and other sheep also are expected to be less than in the late spring and early summer of last year.

Weather and feed conditions in Texas, California, and the Northwestern States were unfavorable during April. Dry weather and the shortage of green feed retarded the development of early lambs in these States. The drought in Texas became more serious in April, and shipments of early lambs and yearlings were much smaller than a year earlier. Eastward shipments of early lambs from California have been about completed. Shipments in April were of record size for the month, a relatively large proportion being sold as feeders.

In the early lambing areas of the native sheep States, weather and feed conditions during April were favorable. Pastures improved rapidly in the latter part of the month, but the condition of early lambs on May 1 was somewhat below average.

Prices of spring lambs were about steady during April, but rose slightly during the first half of May. Inspected slaughter of sheep and lambs in April was about 17 percent less than in March and 14 percent less than in April last year. Ordinarily, slaughter in April is not greatly different from that of March. The marked decrease this year probably resulted from the usual

decrease in marketings of fed lambs at the end of the season and the failure of marketings of new crop lambs and yearlings to increase as much as usual.

Slaughter supplies of sheep and lambs in the fed lamb marketing season, December 1938-April 1939, were about 5 percent smaller than in the 1937-38 season. Because of the smaller supplies and the stronger consumer demand for meats, prices of fed lambs in the past season averaged nearly \$1 higher than a year earlier.

REVIEW OF RECENT DEVELOPMENTS

BACKGROUND.- Prices of lambs in the grass lamb marketing season, May-November 1938, averaged considerably lower than those of a year earlier, because of larger market supplies and weaker consumer demand. Increased marketings of lambs in the grass lamb season reflected chiefly the increase in the 1938 lamb crop over that of 1937. But supplies of sheep and lambs in the fed lamb marketing season, December through April 1938-39, were smaller than those of a year earlier. The number of lambs fed during the past winter was somewhat smaller than a year earlier, and the number of ewe lambs retained for breeding was larger.

Prices of lambs steady to higher in April and early May

Prices of spring lambs were about steady during April, but rose slightly in early May. The average price of good and choice spring lambs at Kansas City for the week ended May 13 was about \$10.60 compared with \$10.45 in mid-April and \$7.85 in mid-May last year. Prices of fed lambs advanced during most of April and in the first 2 weeks of May. The average price of good and choice fed woolled lambs at Chicago for the week ended May 13 was \$10.45 compared with \$9.60 the first week in April and \$7.75 for the second week of May 1938.

Marketings of sheep and lambs decrease sharply in April

Inspected slaughter of sheep and lambs in April, totaling 1,224,000 head was 17 percent smaller than in March and 14 percent less than in April last year. Ordinarily slaughter in April is not greatly different from that of March. The marked decrease this year probably resulted from the usual falling off in marketings of fed lambs at the end of the season and the failure of marketings of new crop lambs and yearlings to expand as much as usual.

For the fed lamb marketing season, December 1938 through April 1939, inspected slaughter of sheep and lambs was 5 percent smaller than in the 1937-38 season. Because of the smaller marketings and the stronger consumer demand, prices of fed lambs in fed lamb marketing season, just ended, averaged nearly \$1 higher than those of a year earlier.

EARLY LAMB SITUATION, MAY 1

Weather and feed conditions in Texas, California and the Northwestern States were very unfavorable in April. Dry weather and the shortage of green feed retarded the development of lambs in these regions. In the early lambing areas of the native sheep States, on the other hand, weather and feed conditions in April were favorable for early lambs. Pastures improved rapidly during the latter part of the month, but the condition of early lambs on May 1 was somewhat below average.

In California pastures and ranges dried up rapidly, and growers disposed of their lambs early. Eastward shipments of California lambs in April were of record size, with a relatively large proportion going to feed lots. But the number sold for slaughter was larger than in April last year. Slaughter lambs from California this year were much lighter in weight and of poorer quality than usual. Shipments in May will be small. The feeder lambs shipped out of California went to farms and commercial feed lots in a number of States. Most of these will be marketed as shorn fed lambs in June and July.

The drought situation, which was developing in most of the principal sheep areas of Texas in March, became more serious during April. Green feed was entirely lacking in some areas, and supplies of old feed were very short. Shipments of early lambs in April were much smaller than a year earlier, and many of the lambs shipped were in only feeder condition. Marketings of yearlings and other sheep in April also were reduced, and a large part of these were feeders. Supplies of slaughter lambs and sheep from Texas in May and June will be relatively small, but there may be a heavy movement of feeders unless the feed situation is improved.

At the end of March, prospects for range feed in Idaho, Washington and Oregon were rather favorable, but precipitation in April in these States was about the shortest for the month on record. Ranges and pastures, that had made a fair start, began to dry up, and at the end of April shortage of green feed was becoming general. Unless the situation is relieved by rains in May, many of the early lambs will not reach slaughter weights and condition.

Conditions during April were favorable for the growth of pastures and the development of lambs in the Southeastern States. Lambs were dropped somewhat later than last year, and the proportion of ewes that had lambed before May 1 was somewhat below average. In Tennessee the reported condition of early lambs on May 1 was below average and considerably below a year earlier. Shipments may be somewhat later than last year. Pastures in Kentucky developed rapidly after mid-April and the condition of early lambs improved. In Virginia weather and pastures were favorable for early lambs, and lambs are expected to go to market at about the usual time at above average weight and quality.

In Missouri and in other early lambing areas of the Corn Belt weather conditions have been fairly favorable for early lambs. Marketings of new crop lambs are expected to be at least as early as last year.

OUTLOOK

The outlook for lambs has not changed greatly during the past month. As stated in the April issue of the Sheep and Lamb Situation, marketings of both early spring lambs and yearlings are expected to be smaller in the spring and early summer of this year than a year earlier.

Because of drought conditions in Texas and in the Northwestern States (Idaho, Oregon and Washington) marketings of early lambs from these areas will be delayed and many lambs may be in only feeder condition.

Dry weather and shortage of feed probably will result in a smaller lamb crop in Texas this year than last. With conditions not so favorable as last year in several important sheep areas, it is not unlikely that the total 1939 lamb crop will be smaller than the record 1938 crop. Prospects generally are favorable for the late lamb crop in the Western States, and it may be that most of the reduction in the total crop will be in early lambs (those normally marketed by the end of July).

The decrease in slaughter supplies of sheep and lambs in May and June from a year earlier will be in both early lambs and in yearlings. This reduction will reflect not only the smaller early lamb crop, but also the delay in marketings of early lambs because of unfavorable weather and feed conditions.

The delay in marketings of early lambs probably will mean that fairly large numbers of such lambs will be marketed after June or July, when late lambs are usually being marketed in large volume.

Prices of lambs usually decline from about mid-June to mid-August as marketings of new crop lambs increase seasonally. But the seasonal increase in marketings during the coming summer may be somewhat less than usual. Consumer demand for lamb and other meats in the next several months is expected to continue stronger than a year earlier, but any improvement from present levels probably will not be great.

Supplies of sheep and lambs, specified periods

Item	Unit	Year			Month			
		Av. 1924-33	1937	1938	Apr. av. 1924-33	Apr. 1938	Mar. 1939	Apr. 1939
Sheep and lambs:	:	:	:	:	:	:	:	:
Number slaughtered under Federal inspection <u>1/</u>	: Thousands	14,737	17,270	18,060	1,165	1,425	1,473	1,224
Receipts at seven markets <u>2/</u>	: do.	3/15,241	11,470	11,783	3/1,300	944	4/ 880	4/ 764
	:	:	:	:	:	:	:	:
	:	:	:	:	:	:	:	:
	:	:	:	:	:	:	:	:
	:	:	:	:	:	:	:	:
Slaughter under Federal inspection:	:	:	:	:	:	:	:	:
Lambs & yearlings	:	:	:	:	:	:	:	:
Number slaugh-	:	:	:	:	:	:	:	:
tered	: Thousands	13,678	15,912	16,884	1,091	1,342	1,287	1,404
Percentage of total sheep & lambs	: Percent	92.8	92.1	93.5	94.1	94.0	94.6	95.3
Sheep:	:	:	:	:	:	:	:	:
Number slaugh-	:	:	:	:	:	:	:	:
tered	: Thousands	1,059	1,358	1,176	68	86	74	69
Percentage of total sheep & lambs	: Percent	7.2	7.9	6.5	5.9	6.0	5.4	4.7
Sheep & lambs:	:	:	:	:	:	:	:	:
Av. live weight	: Pound	81	85	85	88	91	93	93
Av. dressed wt.	: do	39	40	40	41	42	43	43
Total dressed weight	: Mil. lb.	569	683	720	47	60	58	63

1/ Bureau of Animal Industry.

2/ Chicago, Kansas City, Omaha, Denver, St. Joseph, Sioux City, and St. Paul.

3/ Average 1929-33.

4/ Receipts for sale only - excludes through shipments not offered for sale and directs.

Prices per 100 pounds of sheep and lambs, by months,
February - April, 1937-39

Item	1937			1938			1939		
	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Slaughter lambs, Chicago:									
Good and choice 1/	10.14	11.66	11.95	7.20	8.32	7.91	8.88	9.12	9.98
Medium and good 2/	9.31	11.01	11.38	6.60	7.51	6.92	7.91	8.38	9.06
Slaughter ewes, Chicago:									
Good and choice	5.52	6.62	5.67	3.89	4.76	4.82	4.64	5.02	5.70
Common and medium	4.26	5.08	4.17	2.94	3.46	3.41	3.40	3.69	4.30
Feeding lambs, Omaha:									
Good and choice	8.81	10.08	10.20	6.92	7.69	7.21	8.24	8.21	-
Average price paid by packers:									
Sheep and lambs	9.88	10.99	10.92	7.23	8.27	7.91	8.54	8.73	
Average price received by farmers:									
Sheep	4.45	4.81	4.98	3.61	3.97	3.90	4.02	3.99	4.19
Lambs	8.12	8.83	9.19	6.63	7.35	7.23	7.37	7.43	7.88
Lamb, New York:									
Wholesale carcass: 3/									
Choice	16.78	20.28	21.05	15.90	18.33	18.66	17.86	17.87	20.28
Good	15.98	19.35	20.05	14.98	17.69	17.95	17.10	17.20	19.30
Medium	15.12	18.34	18.85	13.91	16.48	16.09	15.65	15.81	17.80
Pulled wool, Boston: 4/									
Choice AA	120.0	113.5	113.8	71.4	71.5	72.1	79.0	76.8	74.0
Choice White B	103.5	96.0	98.0	56.2	55.5	56.5	65.0	63.2	61.0
Sheep pelts, packers									
shearlings, No. 1, Chicago:									
each 5/	1.50	1.51	1.55	0.72	0.65	0.52	0.75	0.75	0.75

1/ Lots averaging within top half of Good grade.

2/ Lots averaging within top half of Medium grade.

3/ For Choice and Good, 38 pounds down; for Medium, 38 pounds down in 1937, and all weights in 1938 and 1939.

4/ Cents per pound.

5/ Bureau of Labor Statistics.

